

Fire-and-rehire: Government blocks law to curb the practice

1 day ago

Comments



The government has blocked a new law to curb businesses' ability to lay staff off and take them back on different - often worse - pay and terms.

The practice - known as "fire-and-rehire" - has caused several industrial disputes.

Labour's Barry Gardiner said the government was "cowardly" for using Parliamentary tactics to stop his bill in its tracks.

But No 10 said it wanted new guidance for companies, rather than a law.

A spokesman for Prime Minister Boris Johnson said: "Using threats of firing and rehiring is completely unacceptable as a negotiating tactic. We expect companies to treat their employees fairly.

"However, there is insufficient evidence to show legislation will stop the practice or will be effective."

- Why do companies fire and rehire their workers?
- Fair pay and decency at work top priority - Rayner

Instead, the government says it will ask the arbitration service Acas to "produce more comprehensive clearer guidance to help all employers explore all the options before considering fire and rehire".

The government ordered Conservative MPs to oppose the legislation.

But union chiefs said that amounted to siding with "bad" and "bullying" bosses.

The Labour Party ordered its MPs to support the bill, even though the party has said it would go further if it won power and **ban fire-and-rehire completely**.

'Everyone agrees'

Before voting on the bill itself, MPs voted on a closure motion - essentially a vote on whether to vote on the bill - and due to the government's opposition, it failed to get enough support by 188 votes to 251.

After that, MPs were able to resume the debate but "talked it out" - meaning members opposing the bill stopped another vote happening by continuing to speak right up to the allotted finishing time for discussion.

This included 40 minutes at the dispatch box by Business Minister Paul Scully, who said legislation agreed in the context of a pandemic was not "the right way to reflect the concerns for the long-term issue about workers' rights", adding: "We will legislate if we need to, but we'll do it as a last resort, not as a first resort."

The government also came under from its own MPs fire for scheduling a statement on health policy as Fridays are normally reserved for backbench members to put forward their bills.

Mr Gardiner's bill now falls to the bottom of the list and is unlikely to progress any further.

Speaking in the Commons, the Labour MP said: "In politics, it's rare to find something that absolutely everyone agrees on and yet all the way from [former union leader] Len McCluskey to the prime minister himself, everyone agrees fire and rehire is wrong - so why is the government determined to block this Bill?

"The tactic of filibustering to talk the bill out is cowardly. It seems the government do not wish to be seen actually to vote against the bill itself.

"They would rather pretend under the cloak of a closure motion that they want to go on talking about it so it simply runs out of time."

Fire-and-rehire has existed for decades, but the practice has come under more scrutiny recently as more firms hit by the pandemic have used it to reduce their staffing costs.

'Anti-bad business leaders'

Mr Gardiner's private member's bill said employees should be fully consulted on any fire-and-rehire plans.

If the employees agreed to it, they could be taken on under new terms, under the proposed new law.

But if a dispute occurred between staff and a company, an independent committee would decide on whether the fire-and-rehire could go ahead, the bill said.

Mr Gardiner told the BBC his plan was a "practical" way to deal with the "worst excesses" of fire-and-rehire - and said the proposals could become law quickly if supported by the government.

One Tory MP, Christian Wakeford, supported it in the Commons, telling the House: "This policy isn't anti-business, it is anti-bad business leaders."

But others on the government benches criticised the bill, with Kevin Hollinrake warning: "The road to hell is paved with good intentions."

Tory MP Laura Farris said the rules on fire and rehire needed to be tightened up, but it had to be available as "an option of last resort" for companies facing insolvency.

The government move has led to criticism outside the chamber, with the TUC's general secretary Frances O'Grady saying: "The government has chosen to side with bad bosses by failing to take action to tackle fire and rehire today."

Unite general secretary Sharon Graham added: "The antics of the Conservative Party today have been a disgrace.

"They have colluded to stand on the side of bullying bosses and against the interests of workers, showing their real colours, so the hypocrisy of the Tory party was on full display for all to see. They say one thing but do another."

The Department for Business, Enterprise and Industrial Strategy has been asked for a comment.

View comments

Related Topics

- Barry Gardiner

Keir Starmer

Top Stories

- Travellers now able to use cheaper Covid tests

Fully-jabbed people returning to England can now take lateral flow tests instead of PCR tests.

4 hours ago
- Colombia's most wanted drug lord captured

6 hours ago
- Chancellor to pledge funds for skills training

51 minutes ago

Features

- 'I left uni and adopted my brother and sister'
- Superfan finally enjoys 6,000th rollercoaster ride
- Stephen Merchant: Outlaws comedy takes dark turn
- A simple guide to Budget 2021
- What's next after the release of Meng Wanzhou?
- 'Not much has changed since my sister's murder'
- Does China's hypersonic test signal a new arms race?
- 'I've learnt to communicate through art'
- Five memorable India v Pakistan World Cup matches

Elsewhere on the BBC

- Jodie Comer: The Story So Far

From her iconic role in Killing Eve to blockbuster Free Guy
- The phone call that changed everything...

Jemma Bere recounts the day she became a parent to her siblings

Most Read

- 1

Colombia's most wanted drug lord captured
- 2

Covid Plan B considered and 51 MPs report threats
- 3

Travellers now able to use cheaper Covid tests
- 4

A-level book pulled over Native American question
- 5

'My student loan refund took six years'
- 6

Coronavirus: Morning update
- 7

Police investigate anti-takeover banner
- 8

'I left uni and adopted my brother and sister'
- 9

Injured filmmaker 'gutted' at movie set death
- 10

Woman, 92, waited four months for social care

BBC News Services

- On your mobile

On smart speakers

Get news alerts

Contact BBC News

Best of BBC iPlayer

- Her biggest adventure is coming!

DOCTOR WHO
- DI Perez faces the 'perfect' murder...

SHETLAND
- 'Puppy trade is the new drugs'

UNDERCOVER: PUPS FOR SALE
- Oly gets the mother of all surprises...

BUMP